



Pick of the week

Vesuvius India Limited

| | | |
|-----------------|---|-------------------|
| NSE Symbol | - | VESUVIUS |
| BSE Ticker | - | 520113 |
| BSE Group | - | A |
| BSE Index | - | S&P BSE Small Cap |
| Face Value (Rs) | - | 10 |
| Book Value (Rs) | - | 441.61 |
| Cur. Price (Rs) | - | 1010 |
| Target (Rs) | - | 1260 |
| Holding Time | - | 9 months |
| Stop Loss (Rs) | - | 750 |
| Risk perceived | - | Medium |
| Stock Category | - | Value |
| Rec. weightage | - | 4% |
| Promoter Stake | - | 55.57% |

Vesuvius, established in 1916 as Vesuvius Crucible, is a world leader in the design, engineering, manufacture and delivery of refractory products, systems and services for high-technology industrial applications. Company is a global leader in molten metal flow engineering and technology. Vesuvius plc, the ultimate holding company, is listed on the London Stock Exchange and is a global leader in metal flow engineering, principally serving the steel and foundry industries.

Products are specialised ceramics, including shrouds, stoppers, nozzles, slide gates, lining refractories and fluxes for the steel production industry and filters, feeding systems, coatings and binders for the foundry industry.

Company has 10,000+ employees and offers Installation expertise and materials that withstand extreme temperatures and offer corrosion resistance at customers' facilities. One of the Top-5 players in Advanced Refractories. Refractories consist mainly of: a) Shaped

(Continued on page 2)

Financial Highlights (Standalone)

| | 12/'18 | 12/'19 | 12/'20 | 12/'21 | 03/'21* | 03/'22* |
|----------------|--------|--------|--------|---------|---------|---------|
| Revenue | 925.07 | 887.04 | 791.51 | 1047.16 | 248.54 | 311.74 |
| Other Income | 22.77 | 29.23 | 20.98 | 19.66 | 4.49 | 5.29 |
| Interest | Nil | Nil | Nil | Nil | Nil | Nil |
| Depreciation | -27.81 | -26.55 | -26.24 | -27.34 | -6.49 | -6.97 |
| Tax | -49.85 | -37.86 | -18.50 | -23.51 | -5.44 | -8.07 |
| Net Profit | 92.52 | 85.55 | 53.05 | 68.05 | 16.13 | 23.63 |
| Equity Capital | 20.30 | 20.30 | 20.30 | 20.30 | 20.30 | 20.30 |
| EPS | 45.59 | 42.15 | 26.13 | 33.53 | 7.95 | 11.64 |
| Dividend | 70% | 70% | 70% | 80% | - | - |

Uniform latest FV has been used for calculating per share ratios, * Three months, Rs in crores

'Smart Billionaire Picks' (SBP) started on 30 May 2001 with a notional sum of Rs 1 Lacs has grown to Rs 123.06 lacs, versus Rs 14.92 Lacs if it had been invested in BSE Sensex. In CAGR terms SBP has grown @25.78% compared to BSE Sensex growth @13.75% during the same period.

SBP is a basket of stocks selected from 'Pick of the Week'. All stocks details in SBP are available live for subscribers in their dashboard area in website, along-with the total structure in terms of stock market capitalization, stock type (Value / Growth) and sector diversification. Mobile App has only brief data.

(Continued from page 1)

Refractories like shrouds, stoppers, pre-cast products, nozzles, and crucibles. b) Unshaped Refractories like castables and taphole clay. c) Repairs and maintenance services. It has four factories, one in Kolkata, two in Visakhapatnam, and one in Mehsana, Gujarat.

Apart from steel (contributes about 80% of Revenue) it also serves non-ferrous foundries, cement, iron ore pellet & aluminium plants in India. Exports of products are made to NAFTA, EMEA, South America, North & South East Asian countries, and Bangladesh.

Recently, it completed the acquisition of



industrial freehold land at Vizag at a cost of Rs. 48.50 crores approx. to meet future expansion / business needs. Strong R&D pipeline with 14 new product launches during 2021 and more to come in 2022. Capacity expansion in Flow Control in Asia and EMEA on track to be operational from late 2022.

It is a debt-free company from many years. Equity capital is way too small compared to the level of operations and considering the capital intensive nature of the business. It has very strong Reserves at 44 times Equity capital and can easily reward shareholders with liberal bonus shares. Despite high volatility in profits during the last four years the company has steadily raised Dividend. Based on the first quarter results and expansion by steel players we project an EPS of Rs 42 for the current year. Considering the prospects and past valuations the stock deserves a PE of 30.

*'While we remain concerned about the potential direct and indirect impacts of recent geopolitical events, which have led us to suspend our deliveries to Russian customers for the duration of hostilities, we are nevertheless confident that the Group will deliver a significant improvement in financial performance in 2022.'**

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| | |
|--|---------------------|
| Smart Gains (Weekly @Wednesday) | Rs. 6000/- per year |
| Smart Multibagger (12 - 15 stocks adviced in a year) | Rs. 8500/- per year |
| Smart SIP (on 5th of every month) | Rs. 4000/- per year |

Subscription rates as on 4 May 2022 (add GST@18%)

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Products at a glance

✓ **Smart Gains** : Value rewards, always !

Objective

Medium to Long term Wealth creation, Managing Portfolio, learning valuations.

Content

- Pick of the Week: One stock advised @Wednesday with research report.
- Smart Billionaire Picks: Multiplied 136 times during 20.5 years! CAGR returns of 27.12%. All stocks are regularly reviewed.

For whom

Investors ready to invest for 3 to 24 months. Apart from the very good returns investors can learn a lot about valuations and portfolio management from SBP.

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|--------------|------|------|------|------|------|
| Success Rate | 81% | 83% | 73% | 61% | 84% |

One year subscription Rs 6000/- as on 4 May 2022 (+ GST@18%)

Pick of the Week (Last 15 months best performers)

| Company | Advise Date | Advice Price | Current Price | % Gains |
|------------------------|-------------|--------------|---------------|---------|
| Acrysil Ltd. | 19-05-2021 | 346 | 853 | 147% |
| Shivalik Bimetal Contr | 31-03-2021 | 83 | 567 | 583% |
| Mindtree Ltd. | 03-03-2021 | 1750 | 4097 | 134% |
| Polyplex Corp. | 13-01-2021 | 720 | 2765 | 284% |
| Cosmo Films | 18-11-2020 | 439 | 1973 | 349% |
| Sonata Software | 14-10-2020 | 360 | 800 | 122% |
| Tata Elxsi | 23-09-2020 | 1234 | 8382 | 579% |
| Cosmo Films | 09-09-2020 | 381 | 1973 | 418% |

as on 16 Apr 2022

Products at a glance.. Continued

✓ **Smart Multibaggers** : Medium Safety, High Reward !

Objective

Long term mega wealth creation through multibagger returns.

Contents

Detailed stock report on 12 to 15 stocks every year including valuations and with clear 'Stop Loss', 'Target' and 'Holding Period'. Stocks are regularly reviewed and notifications sent on mobile App, SMS and Email.

For whom

Investors ready to invest for minimum 2 years and investments of at least Rs 4 lacs. More than 7000 investors have benefited from this product so far.

| | 2013 to 2019 | 2020 |
|---|--------------|------|
| Success Rate | 71% | 78% |
| One year subscription Rs 8500/- as on 4 May 2022 (+ GST@18%) | | |

Last 20 months best Performers

| Company | Advice Date | Advice Price | Curr. Price | % Gain |
|-----------------------|-------------|--------------|-------------|--------|
| Acrysil Limited | 23-10-2020 | 129 | 853 | 561% |
| Caprihans India | 25-03-2020 | 27 | 143 | 430% |
| KEI Industries | 22-04-2020 | 271 | 1237 | 356% |
| Motherson Sumi Sys. | 19-03-2020 | 60 | 139 | 132% |
| Happiest Minds Tech. | 24-10-2020 | 387 | 1089 | 181% |
| Advanced Enzyme Tech. | 19-03-2020 | 104 | 314 | 202% |
| Tata Elxsi | 13-01-2021 | 2300 | 8382 | 264% |
| Tata Power | 03-03-2021 | 104 | 273 | 163% |

as on 16 Apr 2022

Products at a glance.. Continued

✓ **Smart SIP** : Favorite of regular Savers !

Objective

Create huge wealth in long term by investing regularly in growth stocks. Let the compounding magic works for you.

How the scheme works

Stocks and money remains with investor. One stock is advised on every 5th of the month. On reaching portfolio size of 18, the stock which provides highest Value in the portfolio is advised for purchase. Churning is very low. More than 80% of stocks are Growth stocks. Based on the expected long term growth in portfolio stocks we expect to achieve 15% to 18% CAGR returns in long term.

For whom

Investors prepared to invest regularly for long term to meet their financial objectives.

Risk

Since investment is for long term the stock price is more dictated by the financial performance of the company rather than the market.

| | Total Investment (since 05 Oct 2016) | Current Value (16 Apr 2022) | % Change |
|-----------------|---|--------------------------------|----------|
| Smart SIP (Rs) | 6,30,000 | 12,37,000 | + 96% |
| IRR (Year 2021) | +57.91% | | |

One year subscription Rs 4000/- as on 4 May 2022 (+GST@18%)

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Disclosures Recommendations given in this report have been researched and prepared by A K Asnani (SEBI Reg. - INH000000420). He has experience of 30 years into stock investments and author of book 'Way To Billionaire'. By qualification he is BE, MBA (Finance), ERA (ICFAI, Hyderabad) and pursuing PhD.

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